

**161.515 Out-of-state service credit -- Contribution -- Kentucky Peace Corps and federal Peace Corps service credit.**

- (1) For the purposes of this section, "out-of-state service" shall mean service in any state in a comparable position on a full-time basis, which would be covered if in Kentucky.
- (2) (a) An active contributing member who has been a contributing member of the retirement system for at least one (1) full scholastic year subsequent to the latest out-of-state service, may present for credit service rendered out of state, not to exceed ten (10) years actually taught as a certified or licensed teacher. With the exception of university faculty members, all members who elect to purchase this service shall pay to the retirement system an amount equal to the current member contribution rate based on the first Kentucky salary of the member subsequent to the out-of-state service, provided this service was rendered after June 30, 1983. In the event this service was rendered prior to July 1, 1983, the contribution rate shall be seven and eighty-four hundredths percent (7.84%). University faculty members shall pay on a contribution rate of seven and eighty-four hundredths percent (7.84%) based on the first Kentucky salary subsequent to the out-of-state service, regardless of when the service was rendered. Members shall pay to the retirement system the employer contribution at the rates set forth in KRS 161.550. In addition, all members shall pay interest on the contributions for this service at a rate to be set by the board of trustees on each annual contribution from the last day of the scholastic year in which the service was rendered to date of payment to the retirement system. The payments shall not be picked up as described in KRS 161.540(2). For each year of which the retirement system shall accept the contribution and interest, one (1) year of service credit shall be given. This credit may not be used to meet the service requirements of KRS 161.525, 161.600, or 161.661, except as provided in subsection (2)(c) of this section. No credit shall be granted for service which has been or will be used in qualifying for annuity benefit payments from another retirement system financed wholly or in part by public funds;
- (b) A member of the retirement system having teaching service in the elementary or secondary schools operated by the United States overseas or in this country, or in a public college or university in Kentucky, not included in the Teachers' Retirement System of the State of Kentucky, may present this service for credit in the retirement system on the same basis as provided above for out-of-state service credit; however, no service may be presented which shall be used as a basis for retirement benefits in any program supported wholly or in part by a public institution or governmental agency. This service when added to service credited under subsection (2)(a) of this section shall not exceed a total of ten (10) years' service credit; and
- (c) A member having service referred to in subsection (2)(a) or (2)(b) of this section may elect to use this service for meeting the requirements of KRS 161.600(1)(c) by making an additional contribution to the state accumulation

fund equal to a member contribution rate of eight percent (8%) for each year so used. These payments shall not be picked up as described in KRS 161.540(2). The salary base to be used in determining this additional contribution shall be the final average salary which is used in calculating the member's regular retirement annuity.

- (3) Members entering the Teachers' Retirement System for the first time, July 1, 1976, and after this date, shall not receive credit for service defined in subsections (2)(a) or (2)(b) of this section in excess of one (1) year of credit for each two (2) years of Kentucky service in a covered position or ten (10) years, whichever is the lesser number.
- (4) A member, having completed service as a volunteer in the Kentucky Peace Corps created by KRS 154.01-720, may purchase service credit for the time served in the corps on the same basis as provided in this section for the purchase of out-of-state service credit. A member, having completed service as a federal Peace Corps volunteer, may purchase up to two (2) years of service credit for time served in the Peace Corps on the same basis as provided in this section for the purchase of out-of-state service credit.
- (5) Notwithstanding any other provisions of this section to the contrary, purchase of service credit for out-of-state teaching, Kentucky Peace Corps, and federal Peace Corps service on July 1, 2005, or thereafter shall be purchasable only at full actuarial cost.

**Effective:** July 1, 2004

**History:** Amended 2004 Ky. Acts ch. 121, sec. 8, effective July 1, 2004. -- Amended 2002 Ky. Acts ch. 275, sec. 14, effective July 1, 2002. -- Amended 1996 Ky. Acts ch. 359, sec. 5, effective July 1, 1996. -- Amended 1994 Ky. Acts ch. 369, sec. 7, effective July 1, 1994; ch. 406, sec. 8, effective July 15, 1994; and ch. 485, sec. 33, effective July 15, 1994. -- Amended 1992 Ky. Acts ch. 100, sec. 13, effective July 14, 1992. -- Amended 1990 Ky. Acts ch. 442, sec. 6, effective July 1, 1990; and ch. 476, Pt. V, sec. 509, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 363, sec. 8, effective July 1, 1988. -- Amended 1986 Ky. Acts ch. 442, sec. 1, effective July 15, 1986. -- Amended 1984 Ky. Acts ch. 253, sec. 12, effective July 1, 1984; and ch. 302, sec. 4, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 166, sec. 32, effective July 15, 1982. -- Amended 1976 Ky. Acts ch. 351, sec. 9, effective July 1, 1976. -- Amended 1974 Ky. Acts ch. 395, sec. 9, effective July 1, 1976. -- Amended 1972 Ky. Acts ch. 82, sec. 13. -- Amended 1966 Ky. Acts ch. 16, sec. 4. -- Amended 1962 Ky. Acts ch. 64, sec. 8. -- Amended 1960 Ky. Acts ch. 44, sec. 9. -- Created 1946 Ky. Acts ch. 111, sec. 2.